

FILED

SEP 30 2010

BEFORE THE BOARD OF OIL, GAS AND MINING

DEPARTMENT OF NATURAL RESOURCES

SECRETARY, BOARD OF
OIL, GAS & MINING

STATE OF UTAH

IN THE MATTER OF THE REQUEST)
FOR AGENCY ACTION OF MAR/REG)
OIL COMPANY FOR AN ORDER)
ESTABLISHING 160-ACRE DRILLING)
AND SPACING UNITS FOR)
HORIZONTAL WELLS IN AND THE)
PRODUCTION OF OIL, GAS, AND)
OTHER HYDROCARBONS FROM)
THE DESERT CREEK AND UPPER)
ISMAY FORMATIONS IN THE NE¼)
OF SECTION 19, TOWNSHIP 38)
SOUTH, RANGE 26 EAST, S.L.M., SAN)
JUAN COUNTY, UTAH)

**MOTION TO
WITHDRAW REQUEST FOR
TEMPORARY DRILLING AND
SPACING UNITS**

**Docket No. 2010-024
Cause No. 188-04**

MAR/REG OIL COMPANY, by and through its undersigned attorneys, and pursuant to Utah Administrative Code Rule R 641-105-300, hereby moves the Board of Oil, Gas and Mining (the **“Board”**) to enter an order allowing Mar/Reg Oil Company (**“Mar/Reg”**) to withdraw its request to establish temporary 160-acre drilling and spacing units for horizontal wells in and the production of oil, gas, and other hydrocarbons from the Desert Creek and Upper Ismay Formations underlying the NW¼, SW¼, and SE¼ of Section 19, Township 38 South, Range 26 East, S.L.M., located in the Squaw Canyon Field, San Juan County, Utah. In its Staff Memorandum to the Board dated September 13, 2010, the Division of Oil, Gas and Mining (the **“Division”**) expressed its opposition to the establishment of such temporary drilling and spacing units in the quarter-sections wherein Mar/Reg does not have an interest. Mar/Reg does not wish to pursue such temporary drilling and spacing units in view of the Division’s opposition, and therefore, desires to withdraw the portions of its Request for Agency Action (**“Request”**) filed in this Cause regarding

such temporary drilling and spacing units. Mar/Reg intends that its Motion not affect its Request in any other manner. Mar/Reg first made this Motion orally at the Board's September 22, 2010 hearing held in Roosevelt, Utah. The Motion was not opposed by any parties or persons present at the hearing. A proposed form of Order Allowing Withdrawal of Request for Temporary Drilling and Spacing Units is attached hereto.

Dated this 30th day of September, 2010.

VAN COTT, BAGLEY, CORNWALL & McCARTHY

By 

Thomas W. Clawson

Attorneys for Petitioner Mar/Reg Oil Company

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Salt Lake City, Utah 84111

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CERTIFICATE OF MAILING

I hereby certify that on this 30th day of September, 2010, I caused a true and correct copy of the foregoing Motion to Withdraw Request for Temporary Drilling and Spacing Units to be served via U.S. Mail, properly addressed with postage prepaid, upon each of the following:

Michael S. Johnson
Assistant Attorney General
Utah Board of Oil, Gas and Mining
1594 West North Temple, Suite 300
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Steven F. Alder
Fred Donaldson
Assistant Attorneys General
Utah Division of Oil, Gas & Mining
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Nathan Oil LLC
P.O. Box 18148
Reno, NV 89511

QEP Energy Company
1050 17th Street, Ste. 500
Denver, CO 80265

ExxonMobil Corporation
P.O. Box 4358
Houston, TX 72210-4358

Devon Energy Corporation
20 North Broadway, #1500
Oklahoma City, OK 73102-8260

Fischer Family Trust
Robert E. Fischer Trustee
1615 California Street, #322
Denver, CO 80202

Bureau of Land Management
Attn: Eric Jones
Moab Field Office
82 East Dogwood
Moab, Utah 84532

Bureau of Land Management
Attn: Becky J. Hammond
Chief, Branch of Fluid Minerals
P.O. Box 45155
Salt Lake City, Utah 84145-0155

A handwritten signature in blue ink, appearing to read "James W. [unclear]", is written over a horizontal line.

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**IN THE MATTER OF THE REQUEST)
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SOUTH, RANGE 26 EAST, S.L.M., SAN)
JUAN COUNTY, UTAH)**

**ORDER ALLOWING
WITHDRAWAL OF REQUEST FOR
TEMPORARY DRILLING AND
SPACING UNITS**

**Docket No. 2010-024
Cause No. 188-04**

The Board of Oil, Gas and Mining (the “Board”) having fully considered Mar/Reg Oil Company’s (the “Petitioner”) Motion to Withdraw Request for Temporary Drilling and Spacing Units (the “Motion”) and the grounds and reasons provided therefore, and good cause appearing, hereby enters its Order granting the Motion as follows:

1. Petitioner’s Motion is hereby granted.
2. Petitioner’s request to establish temporary 160-acre drilling and spacing units for horizontal wells in and the production of oil, gas, and other hydrocarbons from the Desert Creek and Upper Ismay Formations underlying the NW¼, SW¼, and SE¼ of Section 19, Township 38 South, Range 26 East, S.L.M., is hereby dismissed from this Cause.
3. The remaining portions of Mar/Reg’s Request for Agency Action not related to the requested temporary drilling and spacing units in the NW¼, SW¼, and SE¼ of subject Section 19 are unaffected by this Order.

For all purposes, the Chairman's signature on a faxed copy of this Order shall be deemed the equivalent of a signed original.

Issued this _____ day of October, 2010.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING

Douglas E. Johnson, Chairman